

TECHNICAL REVIEW DOCUMENT
For
RENEWAL of OPERATING PERMIT 01OPOT231

Aquila, Inc. – Rocky Ford Station
Otero County
Source ID 0890004

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September 2006
Revised October and December 2006

I. Purpose:

This document will establish the basis for decisions made regarding the applicable requirements, emission factors, monitoring plan and compliance status of emission units covered by the renewed operating permit proposed for this site. The original Operating Permit was issued June 1, 2002. The expiration date for the permit is June 1, 2007. This document is designed for reference during the review of the proposed permit by the EPA, the public, and other interested parties. The conclusions made in this report are based on information provided in the renewal application submitted May 24, 2006, previous inspection reports and various e-mail correspondence, as well as telephone conversations with the applicant. Please note that copies of the Technical Review Document for the original permit and any Technical Review Documents associated with subsequent modifications of the original Operating Permit may be found in the Division files as well as on the Division website at <http://www.cdphe.state.co.us/ap/Titlev.html>. This narrative is intended only as an adjunct for the reviewer and has no legal standing.

Any revisions made to the underlying construction permits associated with this facility made in conjunction with the processing of this operating permit application have been reviewed in accordance with the requirements of Regulation No. 3, Part B, Construction Permits, and have been found to meet all applicable substantive and procedural requirements. This operating permit incorporates and shall be considered to be a combined construction/operating permit for any such revision, and the permittee shall be allowed to operate under the revised conditions upon issuance of this operating permit without applying for a revision to this permit or for an additional or revised construction permit.

II. Description of Source

This source is classified as an electric services facility under Standard Industrial Classification 4911. This facility consists of 5 internal combustion engines, each capable of providing 2 MW of power. No. 2 fuel oil (diesel fuel) is used in the engines as fuel. The engines are used to provide power during periods of peak electrical demand. There are two (2) 50,000 gal diesel fuel storage tanks used to store No. 2

diesel fuel. Emissions from these tanks are below APEN de minimis levels and are included in Appendix A as insignificant activities.

This facility is located at 14th and Walnut Street in Rocky Ford. This facility is located in an area that has been designated as attainment for all criteria pollutants. There are no affected states within 50 miles of this facility and there are no federal class I designated areas within 100 km.

Emissions at the facility are as follows:

Emission Unit	Potential to Emit (tons/yr)						
	PM	PM ₁₀	SO ₂	NO _x	CO	VOC	HAPs
E001	18.89	18.89	76.63	546.36	87.69	7.55	0.143
E002	18.89	18.89	76.63	546.36	87.69	7.55	0.143
E003	18.89	18.89	76.63	546.36	87.69	7.55	0.143
E004	18.89	18.89	76.63	546.36	87.69	7.55	0.143
E005	18.89	18.89	76.63	546.36	87.69	7.55	0.143
Total	94.43	94.43	383.13	2,731.81	438.44	37.77	0.71

Potential to Emit (PTE) for PM, PM₁₀, NO_x and CO is based on the emission factors determined by performance testing, the maximum design rate of the unit and 8760 hrs/yr of operation. PTE for VOC and hazardous air pollutant (HAP) emissions are based on the AP-42 emission factors, design rate and 8760 hrs/yr of operation. PTE for SO₂ is based on the Reg 1 SO₂ limit, design rate and 8760 hrs/yr of operation.

Emission Unit	Actual Emissions (tons/yr)						
	PM	PM ₁₀	SO ₂	NO _x	CO	VOC	HAPs
Total	1.49	1.49	0.29	4.30	6.90	0.59	N/A

Actual emissions are based on the APEN submitted on April 7, 2003 (2002 data year). Actual emissions are reported for all five engines together. HAP emissions were below the reportable levels.

This facility is a major stationary source for the purposes of prevention of significant deterioration (PSD), however, it was constructed prior to the adoption of PSD regulations and the implementation of best available control technology (BACT). This facility is also grandfathered from the Colorado construction permit requirements in Colorado Regulation No. 3, Part B. Based on the information available to the Division and supplied by the application, the Division believes that modifications up to this point have not triggered PSD review or Colorado construction permit requirements. HAP emission from the facility are below the major source level (10 tpy of any individual HAP and 25 tpy total HAPS).

MACT Requirements

Since the facility is not a major source for HAPS emissions, none of the emission units at the facility are subject to any MACT requirements.

Compliance Assurance Monitoring (CAM) Requirements

None of the engines are equipped with control devices, therefore the Compliance Assurance Monitoring (CAM) requirements do not apply to these units.

Based on the information provided by the applicant and available to the Division none of the significant emission units at this facility have been modified since the original issuance of the Title V permit.

III. Discussion of Modifications Made

Source Requested Modifications

The source submitted their renewal application on May 24, 2006. In their renewal application, the source requested that the Responsible Official and Permit Contact be changed. These changes have been made as requested.

In addition, the source requested that the insignificant activity list be revised to include the storage of lubricating oils and to reflect that travel on unpaved access roads is insignificant because emissions are less than APEN de minimis levels rather than the provisions noted in the list. These changes have been made as requested.

Finally, the source requested that the reference to the two 60,000 gallon diesel tanks be corrected. They are actually 50,000 gal tanks. References to these tanks are in Section I, Condition 1.1 and in the insignificant activity list. These changes have been made as requested.

Other Modifications

In addition to the modifications requested by the source, the Division has included changes to make the permit more consistent with recently issued permits, include comments made by EPA on other Operating Permits, as well as correct errors or omissions identified during inspections and/or discrepancies identified during review of this renewal.

The Division has made the following revisions, based on recent internal permit processing decisions and EPA comments, to the Rocky Ford Station Renewal Operating Permit with the source's requested modifications. These changes are as follows:

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- It should be noted that the monitoring and compliance periods and report and certification due dates are shown as examples. The appropriate monitoring and compliance periods and report and certification due dates will be filled in after permit issuance and will be based on permit issuance date. Note that the source may request to keep the same monitoring and compliance periods and report and certification due dates as were provided in the original permit. However, it should be noted that with this option, depending on the permit issuance date, the first monitoring period and compliance period may be short (i.e. less than 6 months and less than 1 year).
- Added language specifying that the semi-annual reports and compliance certifications are due in the Division's office by the due date and that postmarks cannot be used for purposes of determining the timely receipt of such reports/certifications.

General

- The Reg 3 citations were revised throughout the permit, as necessary, based on the recent revisions made to Reg 3.

Section I – General Activities and Summary

- Conditions 13 and 17 in Condition 1.4 were renumbered to 14 and 18 and Condition 21 in Condition 1.5 was renumbered to 22. The renumbering changes were necessary due to the addition of the Common Provisions requirements in the General Conditions of the permit. In addition, General Condition 3.g (common provisions, affirmative defense) was added as a state-only condition in Condition 1.4.
- Added a “new” Section 3 for PSD status. The facility is a major stationary source, but was constructed prior to the applicability date and based on the information available to the Division no modifications have been made to trigger PSD review.
- Added a column to the table in Condition 5.1 (Condition 6.1 in the revised permit) for startup date of the equipment.

Section II.1 – Engine Requirements

- The NO_x emission factor included in the current Title V operating permit is incorrect. It appears that a typographical error was made in the original permit but was never noted by the Division or the source during processing of the

permit. The appropriate NO_x emission factor is 0.81 lb/gal as discussed in the technical review document for the original Title V permit.

- The Division added language to Condition 1.2 to indicated that No. 2 fuel oil is the only fuel permitted as use for fuel in the engines. This revisions was made to address similar comments made by EPA on fuel restriction as monitoring for another permit.

Section III – Permit Shield

- The citation in the permit shield was corrected and revised to reflect the revisions to Reg 3. The reference to Part C, Section XIII was changed to Part C, Section XIII.B and references to Part C, Section V.C.1.b and C.R.S. 25-7-111(2)(I) were removed, since they did not address the permit shield.

Section IV – General Conditions

- Added language from the Common Provisions (“new” condition 3). With this change the reference to “21.d” in Condition 20 (prompt deviation reporting) will be changed to “22.d”, since the general conditions are renumbered with the addition of the Common Provisions.
- Removed the Upset Provisions from Condition 4 (emergency provisions), since the upset provisions are included in the Common Provisions.
- The citation in General Condition 16 (open burning) was revised. The open burning requirements are no longer in Reg 1 but are in new Reg 9. In addition, changed the reference in the text from “Reg 1” to “Reg 9”.
- General Condition No. 20 (prompt deviation reporting) was revised to include the definition of prompt in 40 CFR Part 71.
- Replaced the phrase “enhanced monitoring” with “compliance assurance monitoring” in General Condition No. 21.d (recordkeeping and reporting requirements).

Appendices

- Appendix B and C were replaced with revised Appendices.
- Revised the Table in Appendix F to add a column for “type of modification”.